

Commonwealth of Kentucky Personnel Cabinet

Prepared for:
Kentucky Group Health Insurance Board Members

August 2007

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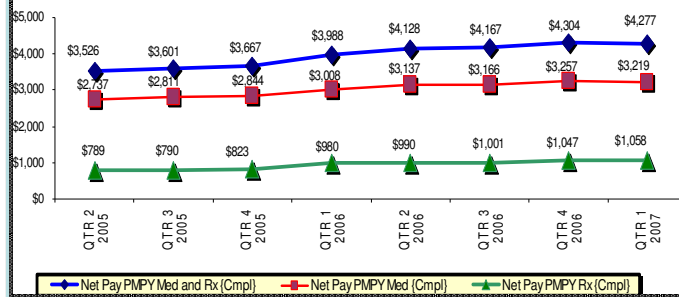
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Dashboard Report: Based on Incurred Claims. Includes projections for Incurred but not yet reported claims (IBNR or CMPL)

1. Enrollment

Fact	2007	Mar 2006	% Change
Employees Avg Med	147,630	144,653	2.10%
Members Avg Med	238,031	231,647	2.80%
Family Size Avg	1.6	1.6	0.70%
Member Age Avg	37.5	38.6	-2.70%

2. Net Incurred Claims Cost Per Member (PMPY Costs as Calculated at the End of each Quarter)



3. Allowed Claims Costs PMPY with Norms

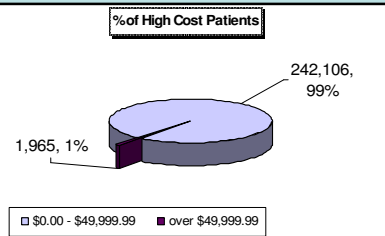
	Apr 2005 - Mar 2006	Apr 2006 - Mar 2007	Trend	Recent US Norm	Comp to Norm
Allow Amt PMPY Med (Cmpl)	\$3,234	\$3,596	11%	\$3,421	5%
Allow Amt PMPY IP Acute (Cmpl)	\$942	\$1,017	8%	N/A	N/A
Allow Amt PMPY OP Med (Cmpl)	\$2,271	\$2,568	13%	\$2,310	10%
Allow Amt PMPY OP Fac Med (Cmpl)	\$1,012	\$1,095	8%	N/A	N/A
Allow Amt PMPY Office Med (Cmpl)	\$809	\$904	12%	\$0	N/A
Allow Amt PMPY OP Lab (Cmpl)	\$155	\$225	45%	\$0	N/A
Allow Amt PMPY OP Rad (Cmpl)	\$324	\$450	39%	\$0	N/A
Out of Pocket PMPY Med (Cmpl)	\$306	\$324	6%	\$598	-85%
Allow Amt PMPY Rx (Cmpl)	\$1,099	\$1,241	13%	\$948	24%
Out of Pocket PMPY Rx (Cmpl)	\$252	\$215	-15%	\$0	N/A

5. Prescription Drug Programs

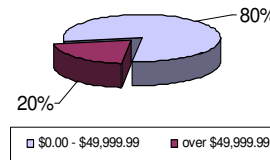
		Apr 2005 - Mar 2006	Apr 2006 - Mar 2007	% Change
Mail Order:	Discount Off AWP % Rx	28.16%	32.44%	15.18%
	Scripts Generic Efficiency Rx	87.51%	91.21%	4.23%
Retail:	Discount Off AWP % Rx	28.87%	33.60%	16.38%
	Scripts Generic Efficiency Rx	92.22%	94.49%	2.46%
Total:	Discount Off AWP % Rx	28.78%	33.45%	16.23%
	Scripts Generic Efficiency Rx	92.03%	94.37%	2.54%
	Scripts Maint Rx % Mail Order	6.14%	6.10%	-0.55%

4. High Cost Claimants

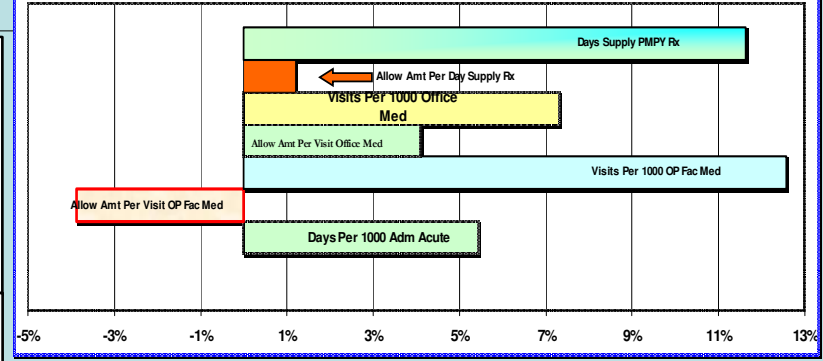
April 2006 – March 2007



% of Total Net Payments for Med & Rx



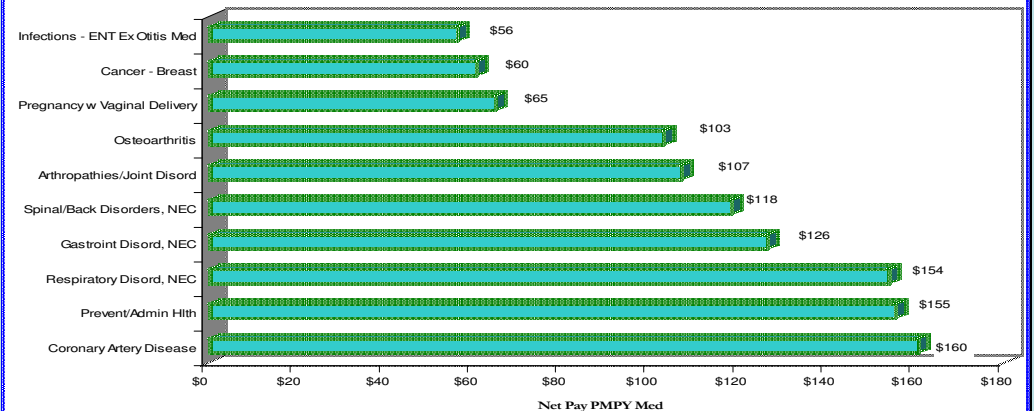
6. Cost Drivers ----- Utilization and Price Trends



6.b. Cost Driver Support Table

	Mar 2006	Mar 2007	Change
Allow Amt Per Day Adm Acute	\$2,867.50	\$2,869.20	0.06%
Days Per 1000 Adm Acute	324.30	341.93	5.43%
Allow Amt Per Visit OP Fac Med	\$681.60	\$655.19	-3.87%
Visits Per 1000 OP Fac Med	1,484.67	1,671.23	12.57%
Allow Amt Per Visit Office Med	\$105.17	\$109.48	4.10%
Visits Per 1000 Office Med	7,694.62	8,257.59	7.32%
Allow Amt Per Day Supply Rx	\$2.19	\$2.22	1.19%
Days Supply PMPY Rx	500.66	558.90	11.63%

7. Top 10 Clinical Conditions (Medical Only) April 2006 - March 2007



Introduction

The Department for Employee Insurance (DEI) is pleased to provide an analysis of the Kentucky Employees Health Plan. In response to requests for data analysis this report has been prepared to provide information related to enrollment, claims payment, and utilization.

It is the Department's intent to update this information on a monthly basis in an effort to continue to provide current information about Kentucky's Health Insurance Program.

Overview

This report is compiled using Medstat, which is DEI's health insurance information management system. Medstat warehouses enrollment and claims data. Enrollment data is provided by DEI while claims data is provided by each carrier and/or TPA.

Claims information may be analyzed by either "incurred" or "paid" dates. "Incurred" reports specify paid amounts for claims that were incurred in a specified timeframe. Due to the lag time in submittal and payment of claims, historical reports that are based on incurred claims may change significantly with each new database update since additional incurred claims will be added. "Paid" claims reports specify the paid amount for claims regardless of when the claims may have been incurred. Unless otherwise specified, data contained in this report are based on "incurred" claims.

Enrollment in the KEHP changes on a daily basis due to a variety of reasons such as: new hires, adding dependents, dropping dependents, marriage, divorce, becoming Medicare eligible, etc. Therefore, Medstat is dealing with a fluid enrollment base. Also, each carrier processes claims slightly differently. During 2005 Medstat processed enrollment information for a total of 253,984 members as well as 7,196,140 claims (3,083,368 Medical claims and 4,048,855 prescriptions) from five different carriers. When dealing with such large numbers it is impossible to tag every claim to a corresponding group, carrier, service type, etc. While the tagging rate for the KEHP data exceeds 99%, you may still see information on reports stated as "~Missing". This indicates any enrollment or claims that could not be "tagged" by Medstat.

Definitions

DEI utilized the following definitions in preparing reports:

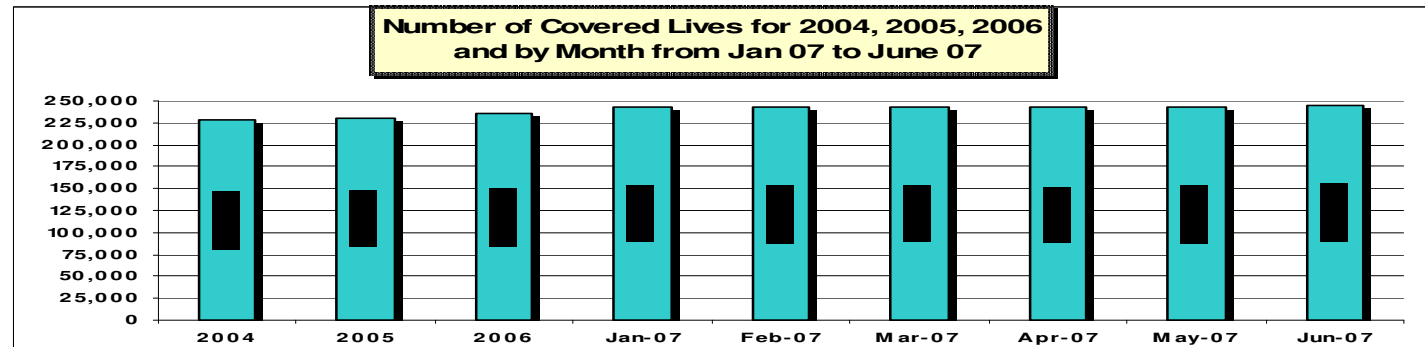
- “Employee” represents an individual eligible to participate in KEHP as a retiree in either KTRS or KRS, or by being employed by one of the agencies that participate with KEHP (example: state employee, school boards, Quasi agency, etc.). Employee may also be referred to as “planholder” or “contracts”. Please note that Medstat deals with Cross-reference plans uniquely. Although there are in fact two “employees” Medstat can only designate the planholder as an employee. Therefore, the cross-referenced spouse is considered a dependent and all claims and utilization data related to them is counted as a “member”.
- “Member” includes all employees plus any dependents that are covered through the KEHP. Members may also be referred to as “covered lives”.
- “Group” is Kentucky Retirement System (KRS), Kentucky Teachers Retirement System (KTRS), State Employees, School Boards, or Other (includes: COBRA, Health Departments, KCTCS, Quasi/Local Governments).
- “Plan” is Commonwealth Essential, Commonwealth Enhanced, Commonwealth Premier, Commonwealth Select, HMO Option A, HMO Option B, POS Option A, POS Option B, PPO Option A, PPO Option B, or EPO Option C.
- “Carrier” may be Aetna, Anthem, Bluegrass Family Health, CHA Health, United Healthcare, or Humana (please note that Express Scripts data is designated as Humana).
- “Generic Efficiency” means the number of prescriptions that are filled with a generic product as a percentage of the total number of prescriptions where a generic is available.
- “OOP” is the amount paid out-of-pocket by the member for facility, professional, and prescription drug services. This generally includes coinsurance, co-payment, and deductible amounts.
- “Allowed Amount” is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.
- “Net Payment” is the net amount paid for all claims. It represents the amount after all pricing guidelines have been applied, and all third party, co-payment, coinsurance, and deductible amounts have been subtracted.
- “Patients” is the unique count of members who received facility, professional, or pharmacy services.
- “Days Supply” is the number of days for which drugs were supplied for prescriptions filled. It represents the number of days of drug therapy covered by a prescription.
- “Mail Order” is computed as any script filled with a “days supply” of more than 30 days, regardless of the physical location where the prescription was filled.
- “Retail” is computed as any script filled with a “days supply” of 30 days or less, regardless of the physical location where the prescription was filled.

Enrollment

The following details planholder enrollment (contracts) for 2004, 2005, 2006 and monthly year-to-date for 2007. Enrollment will fluctuate on a monthly basis. (Note: There have been approximately 7,000 cross-referenced spouses in any given month that are not included in the following chart.)



The following details member enrollment (covered lives) for 2004, 2005, 2006 and monthly year-to-date for 2007. Enrollment will fluctuate on a monthly basis.

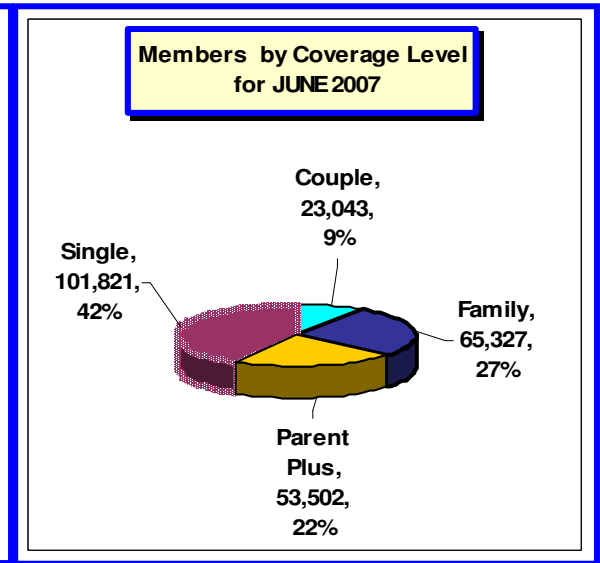
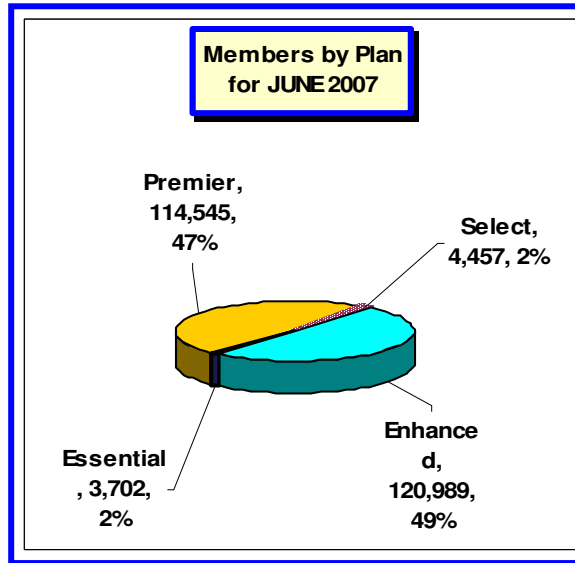
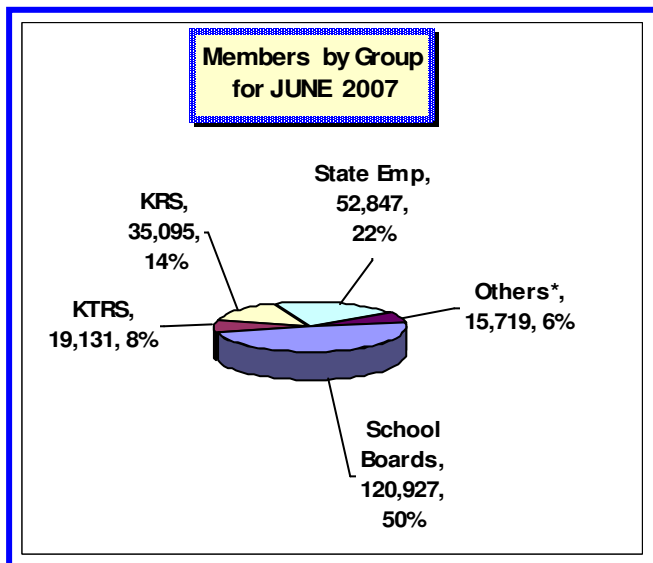
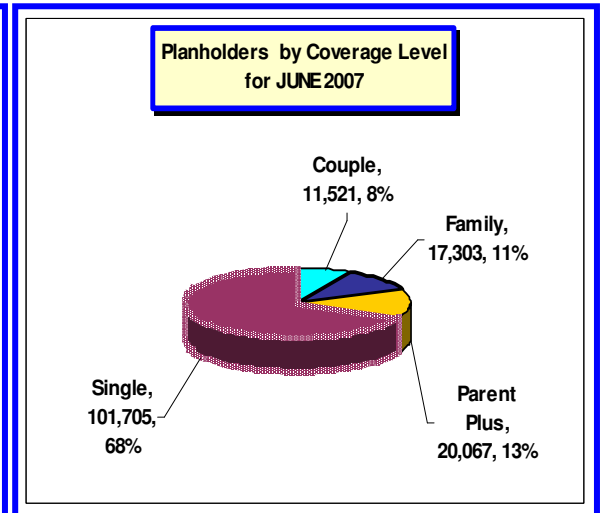
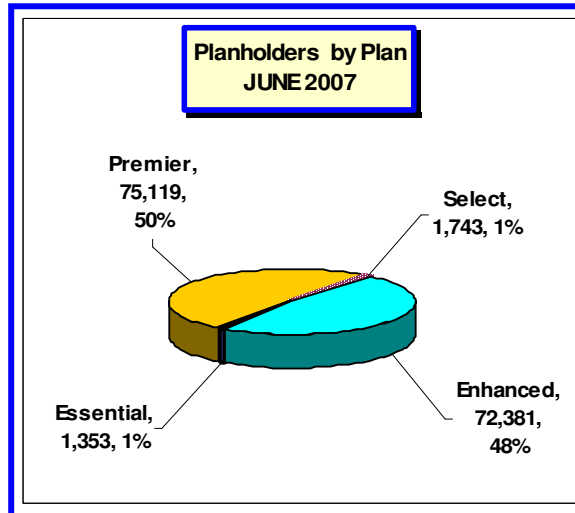
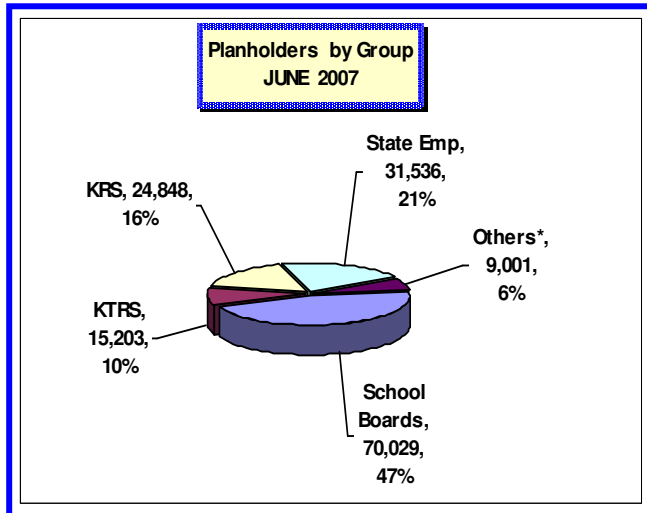


The following table shows the number of cross-reference spouses for 2004, 2005, 2006 and monthly year-to-date for 2007.

Time Period	# of Cross-Reference Spouses
Avg - 2004	5,008
Avg - 2005	7,017
Avg - 2006	7,130
Jan-07	7,227
Feb-07	7,217
Mar-07	7,266
Apr-07	7,284
May-07	7,321
Jun-07	7,339

Enrollment (continued)

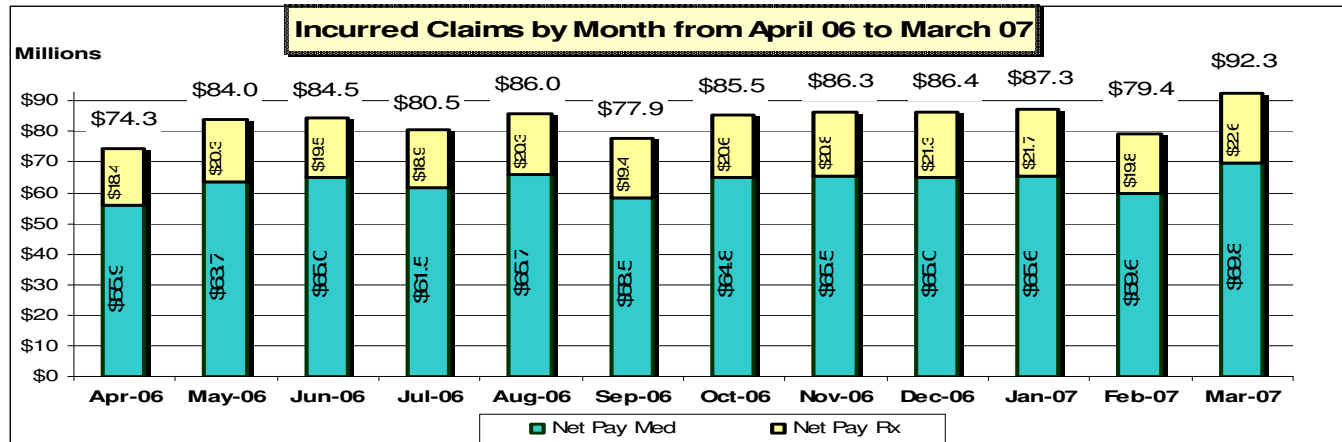
The following charts show Planholder and Member enrollment by group, plan, and coverage level.



Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

Claims Costs

The following chart shows claims costs, including Medical and Prescription (Rx) for the most recent rolling year. Based on Incurred Claims.



The following represents **incurred medical** claims only (does not include Rx) by Group for 2004, 2005, 2006 and monthly year-to-date for 2007.

	School Boards	KTRS	KRS	State Employees	Others	Totals
2004	\$246,135,396	\$70,821,610	\$105,462,079	\$123,071,292	\$44,914,612	\$590,404,988
2005	\$258,740,079	\$80,441,671	\$122,058,942	\$127,040,659	\$43,862,327	\$632,143,678
2006	\$304,862,834	\$93,185,394	\$145,710,745	\$149,855,183	\$48,243,200	\$741,857,357
Jan-07	\$27,207,503	\$8,472,204	\$13,515,382	\$12,458,420	\$3,956,724	\$65,610,232
Feb-07	\$25,900,519	\$6,980,094	\$12,237,880	\$10,811,382	\$3,716,094	\$59,645,969
Mar-07	\$28,925,651	\$9,493,142	\$14,333,328	\$12,813,647	\$4,202,849	\$69,768,617

The following represents **incurred Rx** claims only (does not include medical) by Group for 2004, 2005, 2006 and monthly year-to-date for 2007.

	School Boards	KTRS	KRS	State Employees	Others*	Total RX
2004	\$65,360,626	\$24,608,695	\$34,686,761	\$32,457,821	\$11,383,050	\$168,496,952
2005	\$69,891,805	\$27,094,171	\$39,706,608	\$34,310,246	\$11,822,500	\$182,825,330
2006	\$92,666,486	\$35,018,806	\$53,074,163	\$42,787,801	\$13,584,588	\$237,131,845
Jan-07	\$8,513,069	\$3,115,500	\$4,956,764	\$3,820,633	\$1,329,057	\$21,735,022
Feb-07	\$7,892,026	\$2,714,924	\$4,476,261	\$3,470,753	\$1,236,015	\$19,789,979
Mar-07	\$8,980,772	\$3,155,865	\$5,146,539	\$3,979,410	\$1,301,769	\$22,564,356

- * Others include Cobra, Health Departments, KCTCS, Quasi/Local Governments, or Missing (unable to determine group).

Claims Costs (continued)

The following represents **incurred medical claims only** (does not include Rx) by Plan for 2004, 2005, 2006 and monthly year-to-date for 2007.

Time Period	Commonwealth				Old HMO Products	Old POS Products	Old PPO Products	Old EPO Products	Missing*	Total
	Enhanced	Essential	Premiere	Select						
2004	\$247,933	\$96,285	\$389,307	\$0	\$212,909,645	\$40,885,382	\$325,224,613	\$5,524,470	\$5,127,353	\$590,404,988
2005	\$224,051,710	\$5,706,438	\$398,847,631	\$0	\$12,164	\$900	\$179,854	\$70	\$3,344,105	\$632,142,871
2006	\$285,463,679	\$5,256,136	\$446,817,039	\$0	N/A	N/A	N/A	N/A	\$4,318,105	\$741,854,958
Jan-07	\$25,156,141	\$423,473	\$39,521,951	\$221,967	N/A	N/A	N/A	N/A	\$286,701	\$65,610,232
Feb-07	\$22,437,035	\$318,119	\$36,252,242	\$352,253	N/A	N/A	N/A	N/A	\$286,320	\$59,645,969
Mar-07	\$26,505,330	\$264,357	\$42,307,735	\$395,532	N/A	N/A	N/A	N/A	\$295,664	\$69,768,617

HMO = HMO Option A plus HMO Option B

POS = POS Option A plus POS Option B

PPO= PPO Option A plus PPO Option B

*Missing means the claims could not be tagged to a specific plan.

The following represents **incurred Rx claims only** (does not include medical) by plan for 2004, 2005, 2006 and monthly year-to-date for 2007.

Time Period	Commonwealth				Old HMO Products	Old POS Products	Old PPO Products	Old EPO Products	Missing*	Total
	Enhanced	Essential	Premiere	Select						
2004	\$48,323	\$2,484	\$65,868	\$0	\$58,944,685	\$13,448,392	\$94,468,063	\$678,460	\$840,678	\$168,496,952
2005	\$64,800,801	\$1,344,708	\$115,891,021	\$0	\$12,237	\$3,874	\$21,588	\$496	\$750,605	\$182,825,330
2006	\$86,143,930	\$1,164,552	\$148,785,322	\$0	\$0	\$0	\$0	\$0	\$1,038,041	\$237,131,845
Jan-07	\$8,079,997	\$83,806	\$13,467,830	\$11,377	\$0	\$0	\$0	\$0	\$92,012	\$21,735,022
Feb-07	\$7,437,893	\$74,550	\$12,156,716	\$34,786	\$0	\$0	\$0	\$0	\$86,033	\$19,789,979
Mar-07	\$8,404,820	\$87,652	\$13,969,638	\$54,614	\$0	\$0	\$0	\$0	\$47,632	\$22,564,356

*Missing means the claims could not be tagged to a specific plan.

Claims Costs (continued)

The following represents **incurred medical claims only** (does not include Rx) by Coverage Level for 2004, 2005, 2006 and monthly year-to-date for 2007.

Time	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$79,153,612	\$103,816,354	\$86,064,075	\$316,243,594	\$5,127,353	\$590,404,988
2005	\$87,258,666	\$118,827,302	\$89,294,800	\$333,418,414	\$3,344,496	\$632,143,678
2006	\$105,231,846	\$140,977,603	\$103,230,051	\$388,099,753	\$4,318,105	\$741,857,357
Jan-07	\$8,773,468	\$12,568,637	\$9,392,564	\$34,588,862	\$286,701	\$65,610,232
Feb-07	\$8,951,253	\$11,269,883	\$8,628,898	\$30,509,615	\$286,320	\$59,645,969
Mar-07	\$10,654,409	\$12,358,946	\$9,290,425	\$37,169,174	\$295,664	\$69,768,617

The following represents **incurred Rx claims only** (does not include medical) by Coverage Level for 2004, 2005, 2006 and monthly year-to-date for 2007.

Time	Couple	Family	Parent Plus	Single	Unknown*	Total
2004	\$25,936,162	\$29,646,678	\$19,041,619	\$93,031,815	\$840,678	\$168,496,952
2005	\$28,909,054	\$34,190,171	\$19,157,715	\$99,817,506	\$750,884	\$182,825,330
2006	\$38,225,518	\$43,800,671	\$25,936,109	\$128,131,679	\$1,037,868	\$237,131,845
Jan-07	\$3,475,170	\$3,983,823	\$2,484,658	\$11,699,370	\$92,002	\$21,735,022
Feb-07	\$3,185,770	\$3,617,693	\$2,341,089	\$10,559,399	\$86,028	\$19,789,979
Mar-07	\$3,605,437	\$4,226,267	\$2,590,390	\$12,094,636	\$47,625	\$22,564,356

* Unable to tag claims to a specific coverage level

Medical Claims Utilization

The following is based on medical claims (does not include Rx) incurred from January 2007 through February 2007. (Note: Services are tracked by each service, not by each visit. Therefore if two laboratory services are performed at one visit, it will count as two services.)

Commonwealth Plan	Admits Per 1000 Acute	Admits Per 1000 Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Days LOS Admit Acute	Days LOS Admit Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Days Per 1000 Adm Acute	Days Per 1000 Adm Acute {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Visits Per 1000 Office Med {Rcnt SGovt}
Enhanced	70.17	68.5	2.44%	3.68	3.58	2.75%	257.99	283.81	-9.10%	7,206.88
Essential	55.75	58.38	-4.49%	3.92	3.47	12.95%	218.73	243.59	-10.21%	6,504.37
Premiere	105.29	76.87	36.96%	4.14	3.87	6.95%	436.26	337.28	29.34%	8,000.13
Select	51.11	54.79	-6.73%	3.11	3.53	-11.70%	159.11	219.77	-27.60%	6,324.41
Total	282.32	258.54	28.18%	14.85	14.45	10.95%	1072.09	1084.45	-17.57%	-17.57%

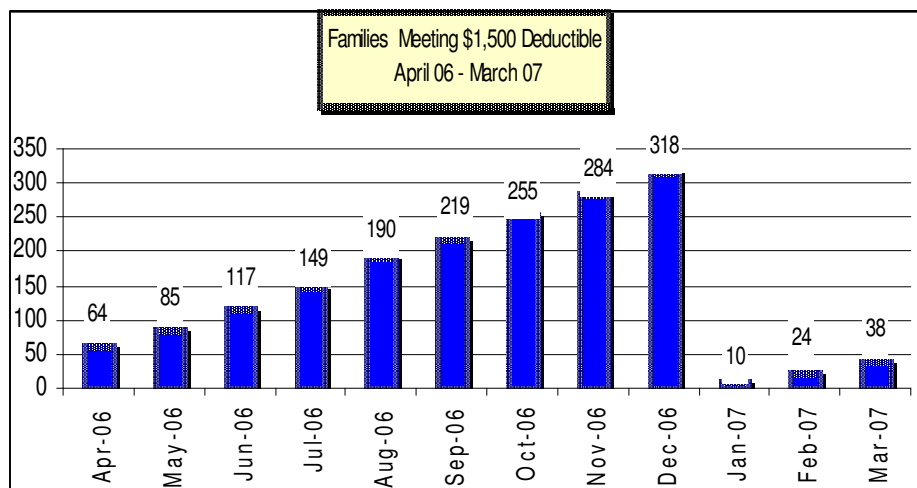
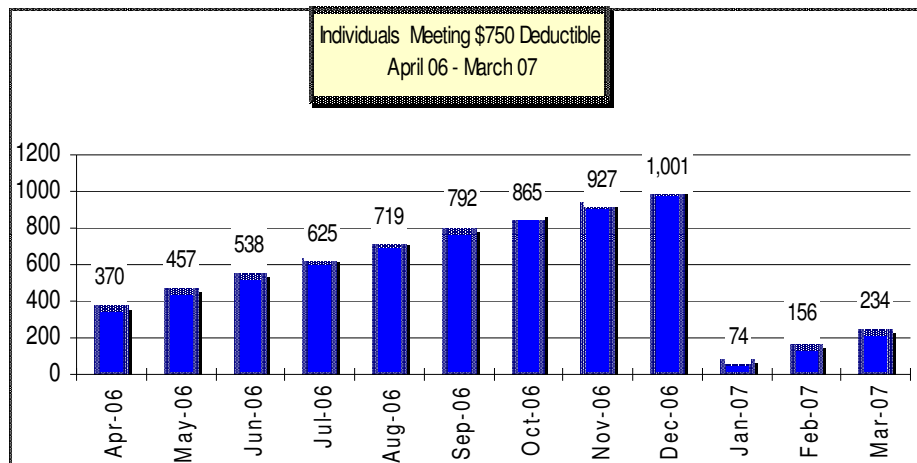
Commonwealth Plan	Visits Per 1000 Office Med	%Diff from {Rcnt SGovt}	Visits Per 1000 ER	Visits Per 1000 ER {Rcnt SGovt}	%Diff from {Rcnt SGovt}	Svcs Per 1000 OP Lab	Svcs Per 1000 OP Lab {Rcnt US}	%Diff from {Rcnt US}	Svcs Per 1000 OP Rad	Svcs Per 1000 OP Rad {Rcnt US}	%Diff from {Rcnt US}
Enhanced	7,640.53	6.02%	198.71	186.28	6.68%	7,229.88	6,018.46	20.13%	2,447.74	2,042.23	19.86%
Essential	3,886.70	-40.24%	186.56	183.46	1.69%	4,160.11	5,197.37	-19.96%	1,260.90	1,701.84	-25.91%
Premiere	9,882.54	23.53%	232.59	184.89	25.80%	10,080.28	6,892.96	46.24%	3,561.98	2,458.27	44.90%
Select	5,074.25	-19.77%	119.58	183.6	-34.87%	4,800.39	4,898.38	-2.00%	1,575.70	1,586.07	-0.65%
Total	28035.79	-30.46%	737.44	738.23	-0.007	26270.66	23007.17	44.41%	8846.32	7788.41	38.20%

*Missing means the claims could not be tagged to a specific plan

Analysis of Individuals and Families meeting their Deductibles

The following details the number of individuals and families by plan, meeting their deductible amounts for the most recent rolling year. The report is based on incurred claims.

Essential

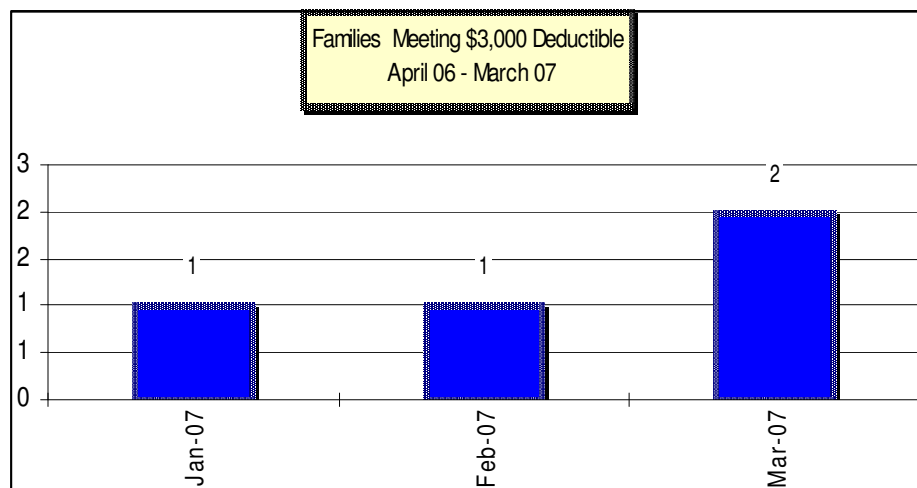
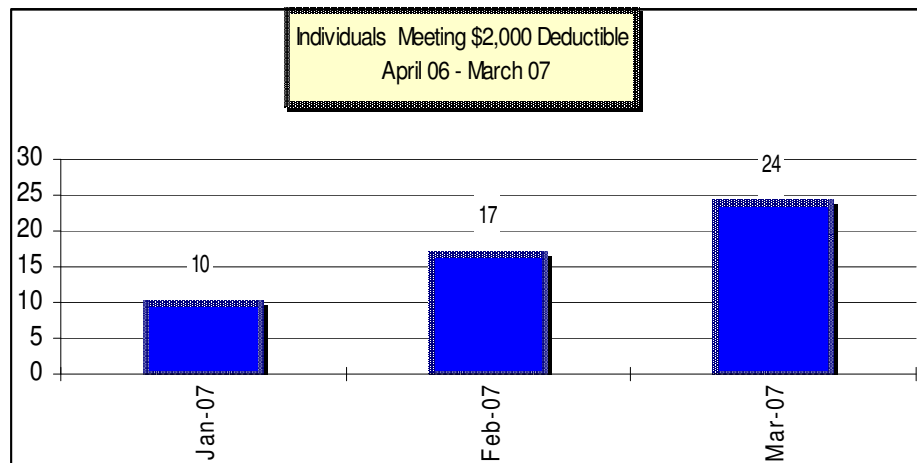


2005 Essential: A total of **18.63%** of Individuals and **12.38%** of Families met their deductibles.

2006 Essential: A total of **22.12%** of Individuals and **17.10%** of Families met their deductibles

During 2007, a total of **6.27%** of Individuals and **3.18%** of Families met their Essential Deductibles

Select

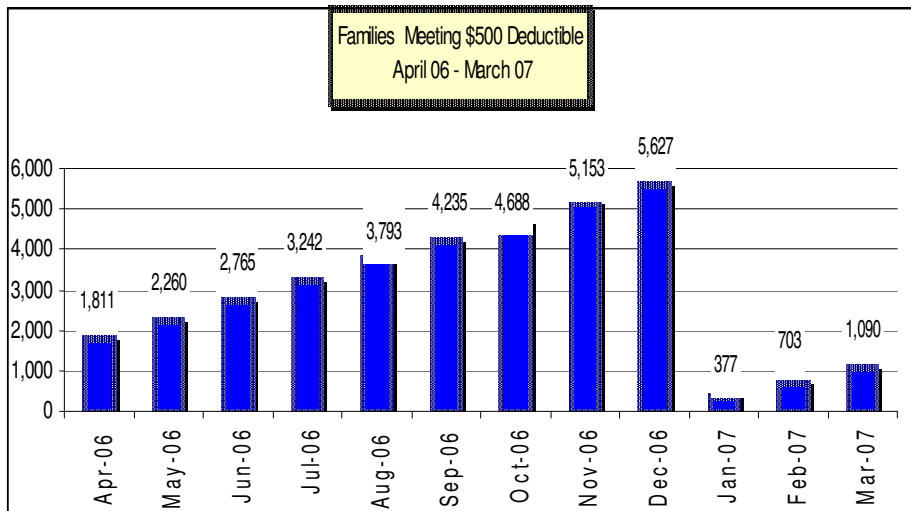
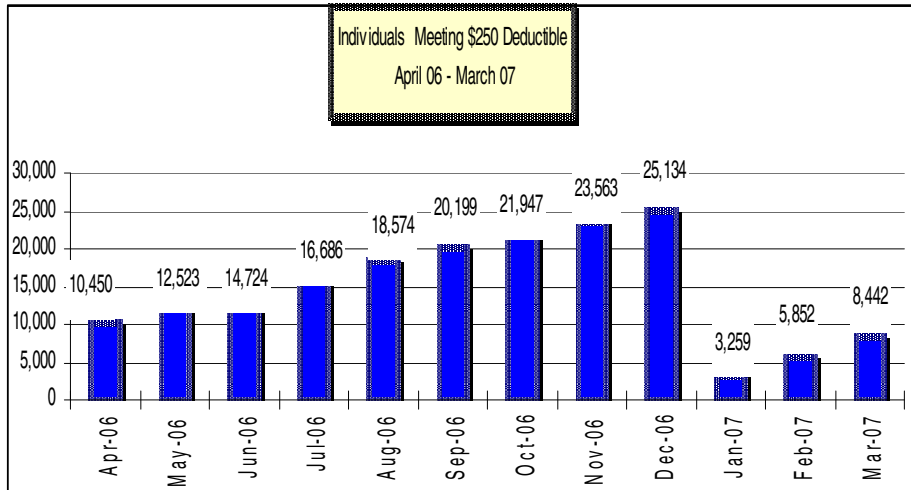


A total of **0.58%** of Individuals and **0.15%** of families with Select Plans met their Select Deductibles.

Note: The Select Plan deductible consists of medical costs only. Rx costs are part of the Max Out of Pocket (MOP).

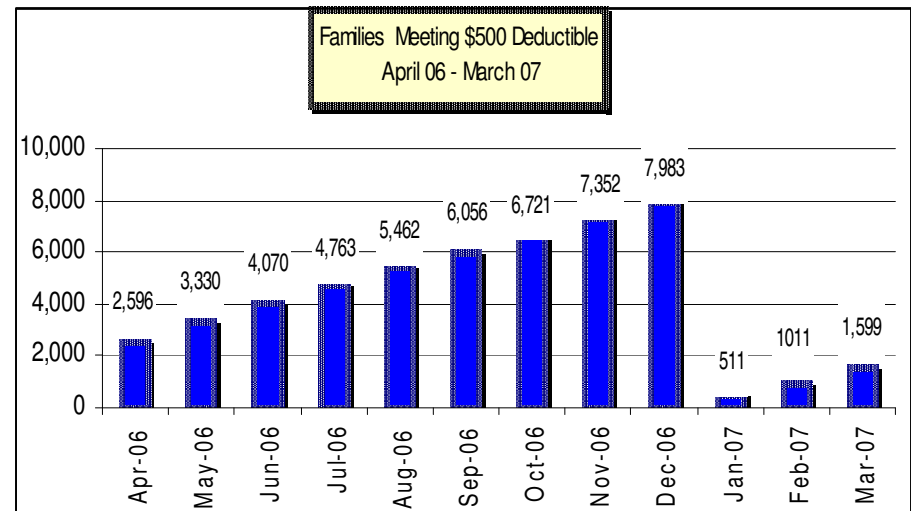
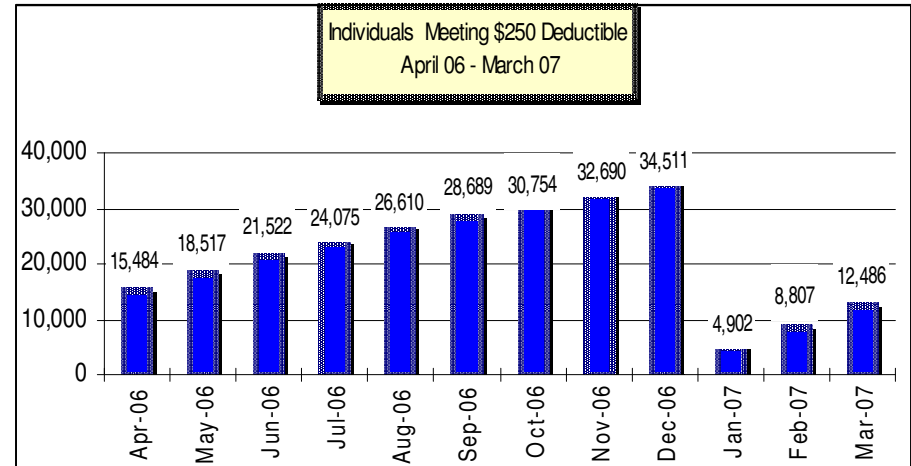
Analysis of Individuals and Families meeting their Deductibles (continued)

Enhanced



2005 Enhanced: A total of **19.36%** of Individuals and **5.01%** of Families met their deductibles.
 2006 Enhanced: A total of **21.47%** of Individuals and **7.82%** of Families met their deductibles
 During 2007, a total of **7.05%** of Individuals and **1.74%** of Families met their Enhanced Deductibles

Premier

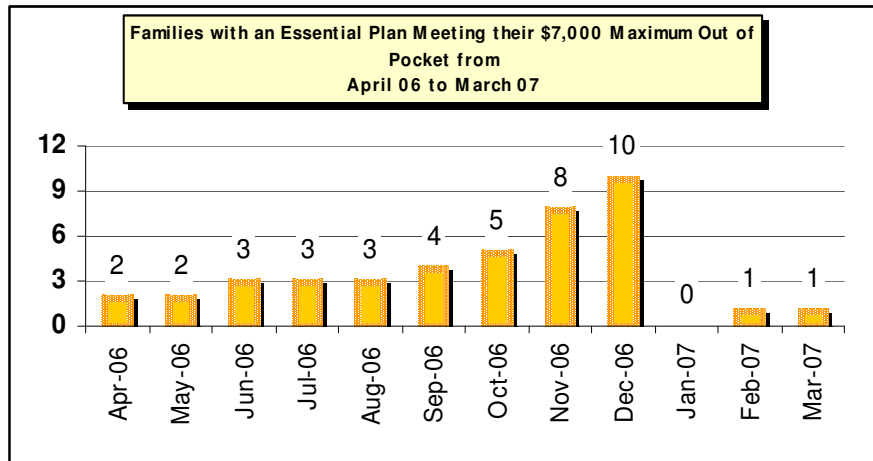
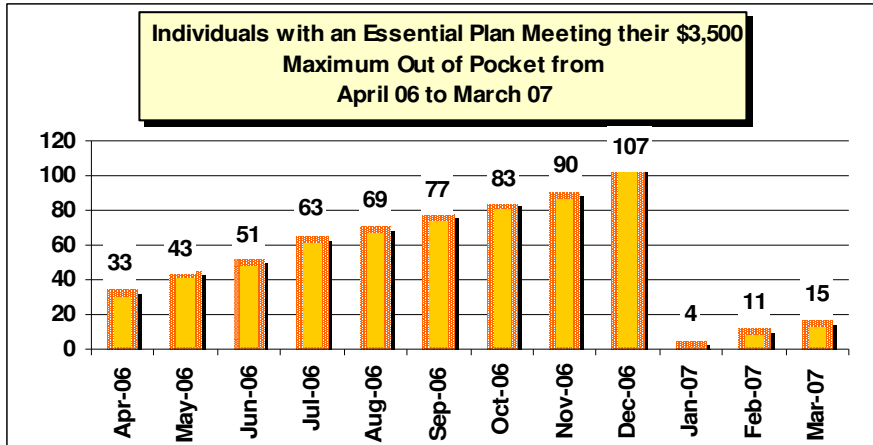


2005 Premier: A total of **27.80%** of Individuals and **6.94%** of Families met their deductibles.
 2006 Premier: A total of **30.15%** of Individuals and **10.35%** of Families met their deductibles.
 During 2007, a total of **10.89%** of Individuals and **2.28%** of Families met their Premier Deductibles.

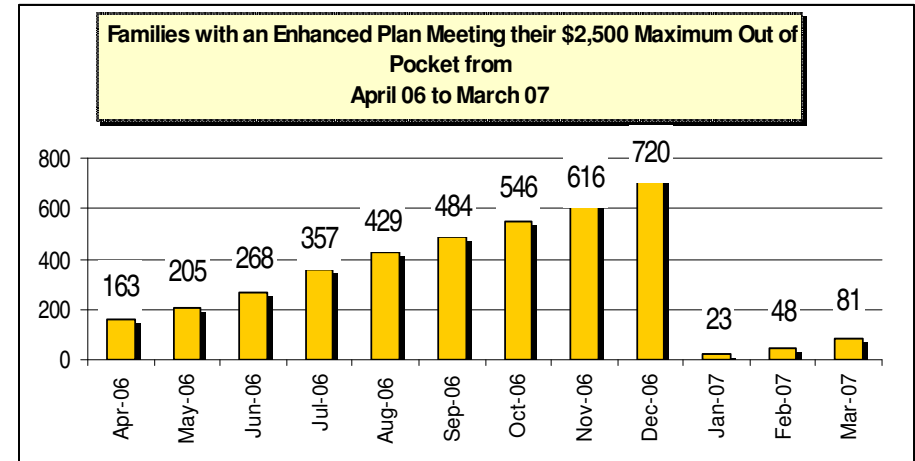
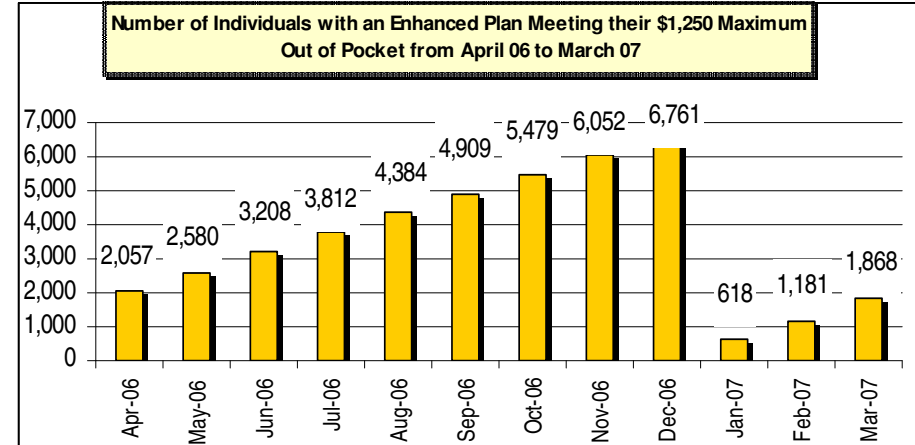
Analysis of Individuals and Families meeting their Maximum Out of Pocket expenses

The following details the number of individuals and families by plan, meeting their maximum out of pocket (MOP) amounts for the most recent rolling year. The report is based on incurred claims.

Essential



Enhanced

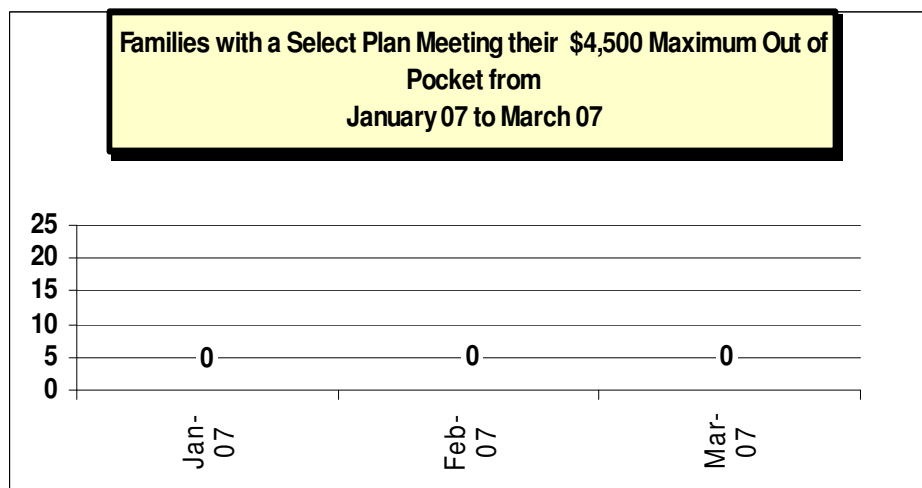
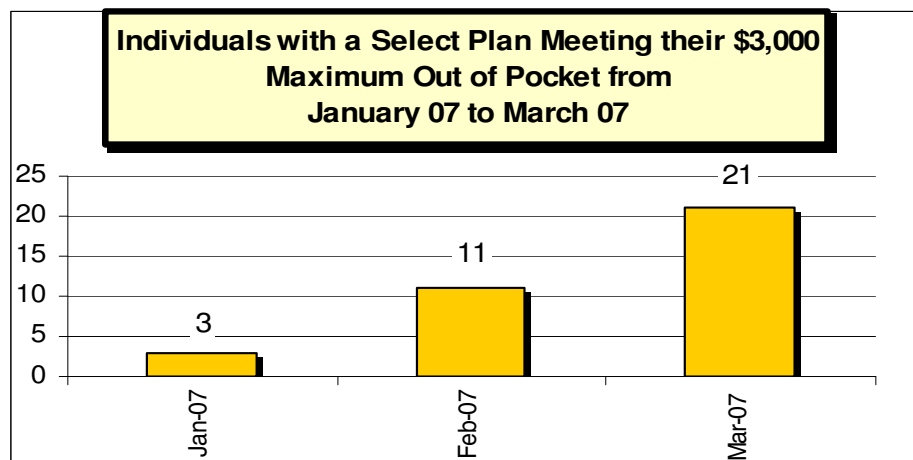


2005 Essential: A total of 1.14% of Individuals and 0.24% of Families met their MOPs.
 2006 Essential: A total of 2.36% of Individuals and 0.54% of Families met their MOPs.
 During 2007, a total of 0.4% of Individuals and 0.08% of Families met their Essential MOPs.

2005 Enhanced: A total of 3.34% of Individuals and 0.50% of Families met their MOPs
 2006 Enhanced: A total of 5.78% of Individuals and 1.00% of Families met their MOPs
 During 2007, a total of 1.56% of Individuals and 0.08% of Families met their Enhanced MOPs

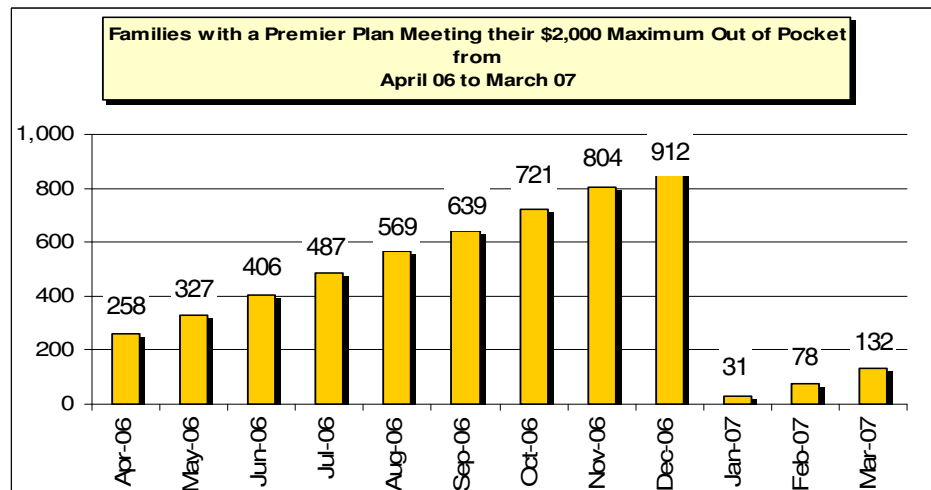
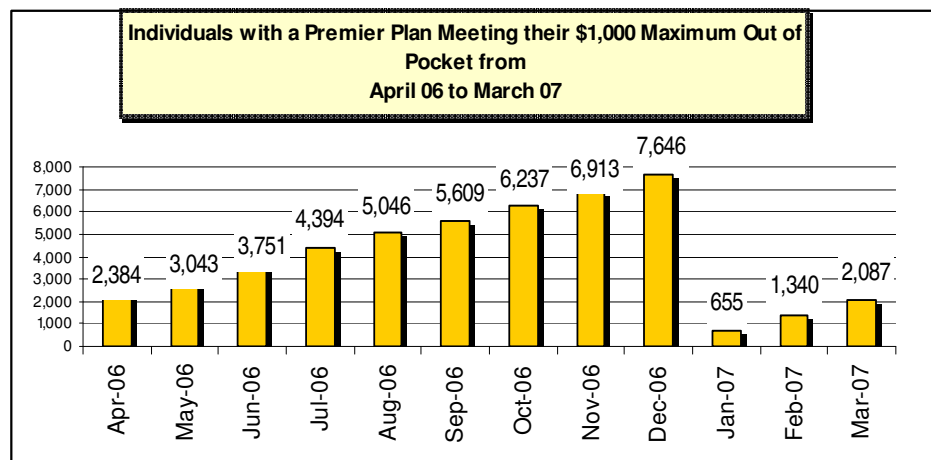
Analysis of Individuals and Families meeting their Maximum Out of Pocket expenses (continued)

Select



A total of 0.27% of individuals and 0% of families with Select Plans met their MOPs.
 Note: For the Select Plan only, prescription drug coinsurance amounts are included in MOP totals.

Premier



2005 Premier: A total of 3.38% of Individuals and 0.55% of Families met their MOPs.

2006 Premier: A total of 6.68% of Individuals and 1.17% of Families met their MOPs.
 During 2007, a total of 1.17% of Individuals and 0.19% of Families met their Premier MOPs.

Premium (or Premium Equivalent)

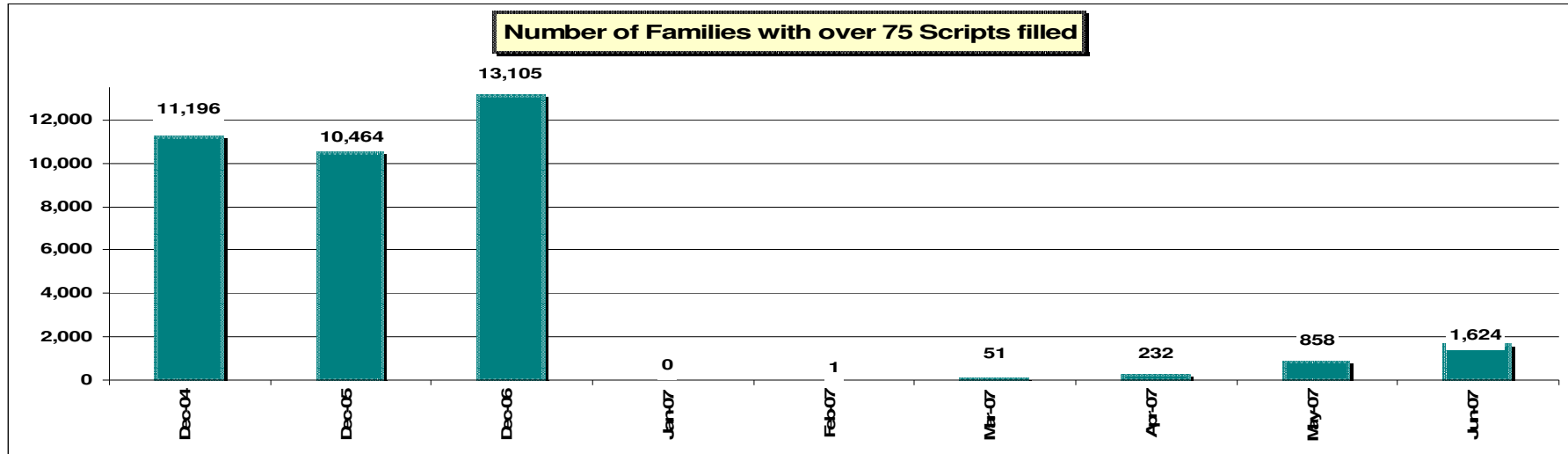
The following details the amount of premium (or premium equivalent) paid by the employee and employer for 2005, 2006, and monthly year-to-date for 2007.

Time Period	Employee Premium Amount	Employer Premium Amount	Total Premium Amount
2005	\$148,029,637	\$779,647,097	\$927,676,733
2006	\$153,787,780	\$948,458,338	\$1,102,246,118
Jan-07	\$14,016,671	\$80,542,856	\$94,559,527
Feb-07	\$14,044,597	\$80,471,968	\$94,516,565
Mar-07	\$13,794,423	\$80,762,937	\$94,557,360
Apr-07	\$13,833,486	\$80,943,164	\$94,776,651
May-07	\$13,847,690	\$80,934,413	\$94,782,103
Jun-07	\$13,894,924	\$81,108,166	\$95,003,089

NOTE: Premium (or premium equivalent) is based on enrollment using published premium rates – it is NOT based on actual payments received.

Prescription Drug Utilization

The following details the number of families that have purchased 75 scripts or more during 2004, 2005, 2006 and monthly year-to-date for 2007. After a family has filled 75 prescriptions, via retail purchase, the co-payment is reduced to \$10 for 2nd tier and \$20 for 3rd tier.



Note: This benefit exists only for Commonwealth Enhanced and Commonwealth Premier plans and does not include Mail Order drugs.

Summary of plan impact for families who have met the 75(+) scripts benefit January through June 2007

Distribution Ranges	# of Families	# of Scripts Rx	Avg # Scripts Per Patient	Avg Net Pay Per Script	Net Pay Rx
0 - 74	131,101	2,172,419	11.55	\$49.45	\$107,424,568.14
over 74	1,624	150,703	42.07	\$62.01	\$9,345,226.50
Total	132,725	2,323,122	12.12	\$50.26	\$116,769,794.64

Note: This benefit exists only for Commonwealth Enhanced and Commonwealth Premier plans and does not include Mail Order drugs.

Prescription Drug Utilization (continued)

The following details the type of prescription filled, the % that were generic, and the generic efficiency rate for the most recent rolling year. The generic percentage rate and generic efficiency rate increased in 2006. Based on Incurred claims.

	Generic	Brand Name, Generic Available	Brand Name	Other*	Total	Scrpts Rx % Generic	Scripts Generic Efficiency Rx
Apr-06	187,909	12,891	147,426	6,752	354,978	52.94%	93.58%
May-06	206,446	13,766	160,029	8,173	388,414	53.15%	93.75%
Jun-06	198,953	13,306	150,830	7,945	371,034	53.62%	93.73%
Jul-06	195,475	12,953	141,763	15,023	365,214	53.52%	93.79%
Aug-06	207,482	13,212	145,732	20,482	386,908	53.63%	94.01%
Sep-06	211,886	12,365	139,311	15,609	379,171	55.88%	94.49%
Oct-06	227,320	13,257	146,152	13,393	400,122	56.81%	94.49%
Nov-06	235,039	13,220	144,207	11,519	403,985	58.18%	94.67%
Dec-06	241,617	13,273	147,280	13,780	415,950	58.09%	94.79%
Jan-07	249,216	13,552	154,997	14,885	432,650	57.60%	94.84%
Feb-07	222,772	12,008	139,889	15,097	389,766	57.16%	94.89%
Mar-07	254,331	13,714	159,888	9,903	437,836	58.09%	94.88%

*Includes: Over the Counter (usually includes items such as diabetic supplies, syringes, and test strips, etc.), Other/Unavailable or Missing (unable to tag to a specific group).

Prescription Drug Utilization (continued)

The following details the number of members and patients **utilizing prescription** benefits and the associated costs for the most recent rolling year. Based on Incurred claims.

	Members	Patients	Scripts	Scripts Per Member	Scripts Per Patient	Allow Amt Per Script	Net Pay Per Script	Member Cost Per Script	Patient Cost Per Script
Apr-06	234,589	142,276	354,978	1.51	2.92	\$63.68	\$51.94	\$17.77	\$29.30
May-06	234,695	147,253	388,414	1.65	3.07	\$63.96	\$52.33	\$19.24	\$30.67
Jun-06	234,830	145,649	371,034	1.58	3.02	\$63.94	\$52.52	\$18.04	\$29.08
Jul-06	235,112	145,290	365,214	1.55	3.00	\$63.01	\$51.86	\$17.33	\$28.04
Aug-06	233,040	148,276	386,908	1.66	3.07	\$63.36	\$52.48	\$18.07	\$28.40
Sep-06	233,806	145,362	379,171	1.62	3.02	\$61.90	\$51.29	\$17.20	\$27.67
Oct-06	238,697	151,691	400,122	1.67	3.09	\$62.05	\$51.53	\$17.63	\$27.75
Nov-06	239,513	154,586	403,985	1.68	3.07	\$61.84	\$51.54	\$17.36	\$26.90
Dec-06	239,277	153,432	415,950	1.73	3.11	\$61.40	\$51.32	\$17.52	\$27.32
Jan-07	241,464	158,145	432,650	1.79	3.15	\$61.24	\$50.24	\$19.10	\$29.16
Feb-07	241,625	152,674	389,766	1.61	2.95	\$61.69	\$50.77	\$17.12	\$27.09
Mar-07	241,951	159,666	437,836	1.81	3.15	\$62.52	\$51.54	\$19.42	\$29.42

* "Allow Amt" is the amount of submitted charges eligible for payment for all claims. It is the amount eligible after applying pricing guidelines, but before deducting third party, co-payment, coinsurance, or deductible amounts.

Prescription Drug Utilization (continued)

The following top 25 drug analysis is based on Rx claims incurred January through **March 2007**.

<u>Product Name</u>	<u>Brand/Generic</u>	<u>Therapeutic Class</u>	<u>Net Pay Rx</u>	<u>Net Pay Rx % Brand</u>	<u>Scripts Rx</u>	<u>Net Pay Per Day Supply Rx</u>	<u>Patients Rx</u>	<u>Scripts DAW Phys Rx</u>	<u>Net Pay Per Script DAW Phys Rx</u>	<u>Net Pay Rx % DAW Phys</u>
NEXIUM	Single Source Brand	Gastrointestinal Drugs	\$1,861,340.33	100.00%	11,656	\$4.55	5,401	94	\$302.35	1.53%
SINGULAIR	Single Source Brand	Unclassified Agents	\$1,443,867.58	100.00%	15,691	\$2.67	8,020	56	\$210.20	0.82%
ENBREL	Single Source Brand	Unclassified Agents	\$1,275,744.40	100.00%	666	\$55.08	310	3	\$2,607.21	0.61%
PREVACID	Single Source Brand	Gastrointestinal Drugs	\$1,218,343.78	100.00%	7,351	\$4.77	3,412	25	\$270.05	0.55%
CRESTOR	Single Source Brand	Cardiovascular Agents	\$1,133,995.30	100.00%	13,515	\$2.41	6,336	67	\$152.98	0.90%
EFFEXOR-XR	Single Source Brand	Central Nervous System	\$1,095,692.17	100.00%	8,400	\$3.88	3,655	53	\$213.74	1.03%
VYTORIN	Single Source Brand	Cardiovascular Agents	\$1,045,089.01	100.00%	12,150	\$2.40	5,753	72	\$150.18	1.03%
TOPAMAX	Single Source Brand	Central Nervous System	\$977,646.23	100.00%	4,180	\$7.15	1,989	26	\$342.98	0.91%
AVANDIA	Single Source Brand	Hormones & Synthetic Subst	\$791,022.71	100.00%	5,151	\$4.37	2,320	15	\$254.66	0.48%
ACTOS	Single Source Brand	Hormones & Synthetic Subst	\$765,237.41	100.00%	4,655	\$4.73	2,085	33	\$283.25	1.22%
LEXAPRO	Single Source Brand	Central Nervous System	\$741,822.61	100.00%	10,532	\$2.12	4,927	65	\$113.02	0.99%
CYMBALTA	Single Source Brand	Central Nervous System	\$681,440.11	100.00%	5,504	\$3.80	2,509	29	\$254.58	1.08%
PROTONIX	Single Source Brand	Gastrointestinal Drugs	\$677,304.39	100.00%	6,140	\$3.21	2,823	34	\$210.63	1.06%
LEVAQUIN	Single Source Brand	Anti-Infective Agents	\$676,948.51	100.00%	7,164	\$10.57	6,279	1	\$63.87	0.01%

PLAVIX	Single Source Brand	Blood Form/Coagul Agents	\$608,067.78	100.00%	5,001	\$3.61	2,421	251	\$132.84	5.48%
<u>Product Name</u>	<u>Brand/Generic</u>	<u>Therapeutic Class</u>	<u>Net Pay Rx</u>	<u>Net Pay Rx % Brand</u>	<u>Scripts Rx</u>	<u>Net Pay Per Day Supply Rx</u>	<u>Patients Rx</u>	<u>Scripts DAW Phys Rx</u>	<u>Net Pay Per Script DAW Phys Rx</u>	<u>Net Pay Rx % DAW Phys</u>
HUMIRA	Single Source Brand	Immunosuppressants	\$607,943.49	100.00%	339	\$52.73	157	2	\$2,628.27	0.86%
TRICOR	Single Source Brand	Cardiovascular Agents	\$603,403.92	100.00%	6,366	\$2.69	2,918	32	\$193.59	1.03%
LOTREL	Single Source Brand	Cardiovascular Agents	\$602,870.27	100.00%	6,798	\$2.58	2,891	22	\$183.10	0.67%
SERTRALINE HYDROCHLORIDE	Generic for Zoloft	Central Nervous System	\$598,869.44	0.00%	12,747	\$1.42	6,057	41	\$45.40	0.31%
SIMVASTATIN	Generic for Zocor	Cardiovascular Agents	\$596,969.42	0.00%	26,102	\$0.65	12,092	129	\$19.65	0.42%
ZYRTEC	Single Source Brand	Antihistamines & Comb.	\$582,317.61	100.00%	15,647	\$1.13	9,380	54	\$78.35	0.73%
ADVAIR DISKUS 250/50	Single Source Brand	Hormones & Synthetic Subst	\$549,093.63	100.00%	3,128	\$5.21	2,009	14	\$368.73	0.94%
ZETIA	Single Source Brand	Cardiovascular Agents	\$543,816.08	100.00%	6,921	\$2.22	3,244	43	\$120.51	0.95%
OMNICEF	Single Source Brand	Anti-Infective Agents	\$540,692.90	100.00%	6,961	\$7.80	6,402	1	\$78.32	0.01%
AZITHROMYCIN	Generic	Anti-Infective Agents	\$523,253.50	0.00%	27,758	\$3.81	24,700	6	\$19.09	0.02%

**Product Name” includes all strengths/formulations of a drug.

Note: DAW stands for “Dispensed As Written

In summary the top 25 drugs represent over 18% of the total scripts and over 32% of total Rx expenditures.

Summary	Net Pay Rx	Scripts Rx	Days Supply Rx
Top Drugs	\$20,742,793	230,523	6,753,017
All Product Names	\$64,089,357	1,260,252	34,710,239
Top Drugs as Pct of All Drugs	32.37%	18.29%	19.46%

Utilization

The top 25 clinical conditions based on “incurred claims” for January through March 2007 are detailed below. (Note: Total Medical Payments represents only the payments made for the specified condition.)

	<u>Clinical Conditions</u>	<u>Net Pay Med</u>	<u>Net Pay IP Acute</u>	<u>Net Pay OP Med</u>	<u>Admits Per 1000 Acute</u>	<u>Days LOS Admit Acute</u>	<u>Visits Per 1000 Office Med</u>	<u>Visits Per 1000 ER</u>
1	Signs/Symptoms/Oth Cond, NEC	\$11,700,294	\$1,876,584	\$9,661,291	2.82	7.42	369.53	12.22
2	Coronary Artery Disease	\$9,745,899	\$6,092,251	\$3,652,839	4.97	3.39	68.1	3.27
3	Respiratory Disord, NEC	\$9,681,038	\$2,743,239	\$6,926,941	3.15	2.72	130.31	17.09
4	Prevent/Admin Hlth Encounters	\$9,145,642	\$43,907	\$9,099,687	0.05	1	621.69	0.87
5	Gastroint Disord, NEC	\$7,621,072	\$1,328,601	\$6,285,250	2.33	3.91	166.73	17.63
6	Spinal/Back Disorders, NEC	\$7,116,408	\$1,673,364	\$5,442,695	1.27	2.78	666.23	4.84
7	Arthropathies/Joint Disord NEC	\$6,179,629	\$314,487	\$5,852,113	0.4	2.63	738.63	6.92
8	Osteoarthritis	\$5,841,018	\$3,541,746	\$2,296,125	3.02	3.31	177.23	0.3
9	Infections - ENT Ex Otitis Med	\$4,376,975	\$60,356	\$4,315,336	0.35	3.05	803.75	12.53
10	Cancer - Breast	\$4,089,524	\$169,190	\$3,918,100	0.45	5.22	51.88	0.07
11	Pregnancy w Vaginal Delivery	\$4,083,579	\$4,058,137	\$25,443	6.6	2.47	0.58	0.02
12	Condition Rel to Tx - Med/Surg	\$3,392,022	\$2,673,881	\$711,452	2.05	5.66	6.31	1.7
13	Chemotherapy Encounters	\$3,224,061	\$777,340	\$2,446,721	0.41	6.44	2.29	
14	Renal Function Failure	\$3,042,093	\$402,760	\$2,595,700	0.5	4.17	12.81	0.36
15	Cholecystitis/Cholelithiasis	\$2,754,069	\$688,993	\$2,065,076	1.32	3.56	7.03	1.32
16	Newborns, w/wo Complication	\$2,640,978	\$2,539,564	\$101,349	9.23	3.48	4.57	0.12
17	Hypertension, Essential	\$2,492,991	\$438,651	\$2,053,010	0.56	3.65	321.56	1.8
18	Gynecological Disord, NEC	\$2,463,731	\$359,336	\$2,104,395	0.87	1.94	82.59	1.3
19	Infec/Inflam - Skin/Subcu Tiss	\$2,405,293	\$506,629	\$1,898,027	1.16	4.47	235.52	3.96
20	Diabetes	\$2,368,003	\$675,269	\$1,690,711	1.04	5.89	203.03	1.39
21	ENT Disorders, NEC	\$2,364,001	\$56,436	\$2,307,427	0.17	2.4	641.32	2.67
22	Cardiac Arrhythmias	\$2,349,443	\$998,325	\$1,345,466	1.19	2.4	42.77	2.18
23	Nutritional Disorders, NEC	\$2,272,580	\$321,080	\$1,950,395	0.83	2.68	205.87	1.96
24	Hernia/Reflux Esophagitis	\$2,175,608	\$444,765	\$1,730,763	0.74	4.04	54.2	0.89
25	Infections - Respiratory, NEC	\$2,072,764	\$363,911	\$1,708,077	0.78	2.51	287.17	8.57

*Based on ICD-9 codes that could not be attributed to any other condition.

Utilization (continued)

In summary the top 25 clinical conditions represent over 59% of total paid claims for all clinical conditions.

Summary	Net Pay Med	Net Pay IP Acute	Net Pay OP Med	Admits Per 1000 Acute	Days LOS Admit Acute	Visits Per 1000 Office Med	Visits Per 1000 ER
Top Clinical Conditions	\$115,598,712	\$33,148,801	\$82,184,387	46.24	3.64	5,901.70	103.97
All Clinical Conditions	\$195,024,818	\$56,512,836	\$138,034,338	88.1	3.93	8,619.46	213.99
Top Clinical Conditions as Pct of All Clinical Conditions	59.27%	58.66%	59.54%	52.48%	92.71%	68.47%	48.58%

Claims Lag Analysis

The following claims lag information is based on medical claims (does not include Rx) incurred January through March 2007.

Commonwealth Plans	Number of Medical Claims	Avg Days Lag Per Claim	% Claims Paid Within 30 Days	% Claims Paid Within 60 Days	% Claims Paid Within 90 Days
Enhanced	775,579	17.4	85.86%	94.86%	97.87%
Essential	13,141	20.2	82.10%	93.25%	97.26%
Premier	1,047,315	17.6	85.55%	94.80%	97.92%
Select	17,222	18.2	84.01%	94.36%	98.03%
~Missing*	5,907	31.5	65.40%	82.29%	92.20%
All Plans	1,859,164	17.6	85.58%	94.77%	97.88%

*Missing means the claims could not be tagged to a specific plan.

Claims Lag Analysis (continued)

The following claims lag information is based on all claims (Medical and Rx) incurred and paid during the most recent rolling year.

Paid	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06
Incurred						
Jul-06	\$38,381,466	\$32,900,170	\$4,940,269	\$1,944,501	\$852,145	\$522,618
Aug-06	N/A	\$45,213,813	\$30,583,989	\$5,336,499	\$2,241,538	\$1,071,890
Sep-06	N/A	N/A	\$40,454,408	\$28,271,700	\$4,948,949	\$2,146,331
Oct-06	N/A	N/A	N/A	\$46,580,222	\$27,686,628	\$6,768,712
Nov-06	N/A	N/A	N/A	N/A	\$43,819,955	\$32,788,971
Dec-06	N/A	N/A	N/A	N/A	N/A	\$44,152,401
Jan-07	N/A	N/A	N/A	N/A	N/A	N/A
Feb-07	N/A	N/A	N/A	N/A	N/A	N/A
Mar-07	N/A	N/A	N/A	N/A	N/A	N/A
Apr-07	N/A	N/A	N/A	N/A	N/A	N/A
May-07	N/A	N/A	N/A	N/A	N/A	N/A
Jun-07	N/A	N/A	N/A	N/A	N/A	N/A

Paid	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07
Incurred						
Jul-06	\$264,809	\$104,257	\$152,729	\$178,027	\$110,103	\$109,910
Aug-06	\$796,623	\$179,170	\$229,836	\$196,945	\$156,517	\$24,653
Sep-06	\$832,198	\$681,156	\$444,864	\$78,797	\$32,987	\$31,987
Oct-06	\$2,272,198	\$1,038,756	\$374,111	\$315,864	\$314,675	\$100,678
Nov-06	\$5,738,706	\$1,922,846	\$1,033,579	\$605,908	\$221,290	\$194,132
Dec-06	\$31,923,797	\$5,894,355	\$2,374,453	\$1,011,577	\$546,965	\$466,716
Jan-07	\$46,939,731	\$29,848,145	\$6,271,762	\$2,381,415	\$978,324	\$925,877
Feb-07	N/A	\$41,122,455	\$31,104,382	\$4,572,115	\$1,781,365	\$855,631
Mar-07	N/A	N/A	\$50,544,545	\$32,141,571	\$6,302,658	\$3,344,199
Apr-07	N/A	N/A	N/A	\$42,507,670	\$33,125,491	\$5,644,548
May-07	N/A	N/A	N/A	N/A	\$46,482,598	\$35,121,507
Jun-07	N/A	N/A	N/A	N/A	N/A	\$50,659,704

Claims Distribution based on Age/Gender

The following is based on claims incurred January through March 2007.

Age Group Medstat	Female			Male		
	Members Avg	Net Pay Med and Rx	Net Pay Per Member	Members Avg	Net Pay Med and Rx	Net Pay Per Member
Ages < 1	152	\$1,262,148	\$8,320.02	156	\$1,714,170	\$11,009.44
Ages 1-4	4,537	\$2,219,933	\$489.33	4,816	\$2,847,845	\$591.33
Ages 5-9	6,163	\$1,883,663	\$305.63	6,359	\$2,540,066	\$399.43
Ages 10-14	6,737	\$1,996,865	\$296.40	7,128	\$2,325,236	\$326.23
Ages 15-17	4,654	\$2,783,163	\$598.05	5,032	\$2,322,083	\$461.49
Ages 18-19	3,269	\$1,467,539	\$448.97	3,378	\$1,396,482	\$413.37
Ages 20-24	7,055	\$3,895,617	\$552.20	6,429	\$2,551,006	\$396.78
Ages 25-29	8,142	\$6,899,174	\$847.36	3,792	\$1,609,919	\$424.52
Ages 30-34	8,886	\$8,617,622	\$969.76	4,865	\$2,236,735	\$459.76
Ages 35-39	10,862	\$10,079,928	\$927.97	5,657	\$3,096,914	\$547.48
Ages 40-44	11,780	\$11,559,102	\$981.25	6,326	\$4,983,869	\$787.84
Ages 45-49	14,423	\$16,936,538	\$1,174.25	7,656	\$7,833,373	\$1,023.21
Ages 50-54	17,666	\$23,743,587	\$1,344.05	10,114	\$12,280,306	\$1,214.22
Ages 55-59	19,767	\$30,492,335	\$1,542.56	12,523	\$18,842,535	\$1,504.67
Ages 60-64	16,096	\$30,671,461	\$1,905.50	10,844	\$22,414,297	\$2,066.92
Ages 65-74	4,107	\$8,292,846	\$2,019.05	2,937	\$7,237,597	\$2,464.03
MISSING: Net Payment of \$80,225.42						

Allowed Amount Distribution

The following shows the distribution of members with allowed amount of charges within specified ranges for 2005, 2006 and Year-to-Date for 2007. The distribution is based on incurred claims.

Jan & Mar 07

Allowed Amount	2005	2006	2007
less than 0.00	90	4	0
\$0.00 - \$499.99	50,002	54,089	102,246
\$500.00 - \$999.99	29,232	32,843	38,690
\$1,000.00 - \$1,999.99	35,407	40,305	28,039
\$2,000.00 - \$4,999.99	47,471	54,362	19,002
\$5,000.00 - \$9,999.99	26,210	30,321	6,462
\$10,000.00 - \$14,999.99	9,138	10,570	1,841
\$15,000.00 - \$19,999.99	4,055	4,715	831
\$20,000.00 - \$29,999.99	3,539	4,241	763
\$30,000.00 - \$49,999.99	2,312	2,832	517
\$50,000.00 - \$74,999.99	932	1,088	208
\$75,000.00 - \$99,999.99	390	466	68
\$100,000.00 - \$149,999.99	299	351	51
\$150,000.00 - \$199,999.99	116	109	17
\$200,000.00 - \$249,999.99	57	68	9
over \$249,999.99	74	92	10
Total	209,324	236,456	198,754

Summary of Enrollment and Claims

The following provides a summary of members, incurred medical claims, and incurred Rx claims for the most recent rolling year.

Time Period	Members	Net Pay Med and Rx	Net Pay Med	Net Pay Rx	Claims Paid	Claims Paid Med	Scripts Rx
Apr-06	234,589	\$74,294,944	\$55,858,632	\$18,436,312	605,342	244,315	354,978
May-06	234,695	\$83,994,961	\$63,669,261	\$20,325,700	664,651	269,484	388,414
Jun-06	234,830	\$84,503,406	\$65,014,948	\$19,488,458	653,040	275,388	371,034
Jul-06	235,112	\$80,461,003	\$61,522,749	\$18,938,253	635,370	262,927	365,214
Aug-06	233,040	\$86,031,473	\$65,726,898	\$20,304,575	674,859	278,445	386,908
Sep-06	233,806	\$77,923,377	\$58,477,000	\$19,446,376	635,928	249,275	379,171
Oct-06	238,697	\$85,451,845	\$64,835,000	\$20,616,845	693,138	286,057	400,122
Nov-06	239,513	\$86,325,385	\$65,502,362	\$20,823,023	699,468	288,441	403,985
Dec-06	239,277	\$86,370,264	\$65,022,423	\$21,347,841	690,037	267,036	415,950
Jan-07	241,464	\$87,345,254	\$65,610,232	\$21,735,022	738,378	297,910	432,650
Feb-07	241,625	\$79,435,948	\$59,645,969	\$19,789,979	658,721	262,356	389,766
Mar-07	241,951	\$92,332,973	\$69,768,617	\$22,564,356	740,296	294,832	437,836

NOTE: Includes run out data from all Carriers

The following illustrates the change in incurred claims amounts (includes medical and Rx) by rolling year.

	Members	Total Medical and Rx Claims	Total Medical Claims	Total RX Claims
Apr 2005 - Mar 2006	231,647	\$855,609,555	\$660,385,168	\$196,006,680
Apr 2006 - Mar 2007	238,031	\$1,004,471,285	\$760,654,092	\$243,817,193
% Change (Roll Yrs)	2.80%	17.40%	15.20%	24.40%